

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF**

**FROM: DON HOWELL
DEPUTY ATTORNEY GENERAL**

DATE: APRIL 20, 2011

**SUBJECT: APPLICATION OF T-MOBILE WEST CORP. FOR DESIGNATION AS
AN ETC, CASE NO. TMW-T-10-01**

On December 14, 2010, T-Mobile West Corp. filed an Application to be designated as an “eligible telecommunications carrier” (ETC) in Idaho. T-Mobile is a facilities-based wireless telecommunications carrier serving Idaho customer with basic wireless services and advanced broadband services. Application at 1. The Company requests ETC designation pursuant to 47 U.S.C. § 214(e) and this Commission’s ETC requirements. Order No. 29841.

THE APPLICATION

T-Mobile is a commercial mobile radio services (CMRS) carrier licensed by the Federal Communications Commission (FCC) to provide wireless services in various locations in Idaho. T-Mobile’s designated service area currently includes the wire centers of non-rural incumbent local exchange carriers (ILECs – such as Qwest and Verizon)¹ and the wire centers of many rural ILECs. See Atch. A. T-Mobile seeks ETC status in those Idaho wire centers listed in Attachment A.

T-Mobile asserts that it will provide all the universal services supported by the federal Universal Service Fund (USF) including: voice grade access; local usage; dual tone multi-frequency signaling; single party service; access to emergency services; access to operator, interexchange, and directory assistance services; and toll blocking or toll control for qualifying

¹ On April 1, 2011, CenturyLink and Qwest merged their companies. The combined companies will use the name CenturyLink, but the “Qwest” brand will continue for the next several months. On July 1, 2010, Frontier Communications Corporation acquired control of Verizon’s local and toll operations in Idaho.

consumers. *Id.* at 3-4. The Company indicates that it intends to use its own facilities-based wireless facilities to meet its universal service obligations. *Id.* at 4.

The Application states that T-Mobile is committed to providing the required universal services throughout its designated ETC service area, including the FCC's ETC servicing requirements found at 47 C.F.R. § 54.202. In those instances when T-Mobile receives a request for service outside its existing network coverage area, T-Mobile will provide service within a reasonable period of time. To provide service the Company maintains that it will explore several alternatives including: modify or replace the customer's equipment; deploy a roof-mounted antenna or other equipment; adjust the nearest cell tower; adjust network or customer facilities; resell services from another carrier's facility; or use or construct an additional cell site/extender/repeater or other similar equipment. Application at 5. If T-Mobile determines that it cannot reasonably serve a new customer, then it will report the "unfulfilled request within thirty (30) days after making such a determination." *Id.*

The Company also commits to advertise the availability of its universal service offering within its proposed ETC service areas by using media of general distribution. *Id.* In addition, the Company notes that it already has various retail stores and authorized agents throughout its existing service area.

Once designated as an ETC, the Company will make available to qualified low-income customers a discounted service offer that meets the "Lifeline" requirements.² T-Mobile plans to make available to qualifying low-income customers an affordable wireless handset; 145 "whenever" minutes, 500 night minutes, and 500 weekend minutes per month; and a Lifeline monthly rate of \$6.41. *Id.* at 6. In its Application, T-Mobile also declares that it will comply with the Idaho Commission's ETC requirements. In particular, the Company has filed a two-year investment plan to better serve customers once it is designated as an ETC. The Company indicates that it will be able to provide emergency services and that will comply with the CTIA consumer protection code. *Id. citing* Order No. 29841, App. at 3. In August 2010, T-Mobile was recognized as earning the highest ranking in J.D. Power & Associates' satisfaction survey for wireless carriers.

² The Lifeline program is intended to provide universal service to eligible low-income customers by using USF revenues to make telecommunications service more affordable. Idaho participates in the residential Lifeline program pursuant to *Idaho Code* § 56-901 and Order No. 21713.

In conclusion, T-Mobile asserts that designating it as an ETC would provide a benefit to customers in its service territory and is in the public interest. *Id.* at 8-10. Besides providing consumers with competitive pricing and new services, customers will also benefit from increased competition. ETC status “will result in consumers having greater access to wireless telecommunications services in rural areas, thereby advancing the basic goal of preserving and advancing universal service.” *Id.* at 9. T-Mobile requests that the Commission certify that T-Mobile may receive federal USF funds for universal service support. *Id.* at 11.

MERGER

On March 20, 2011, AT&T announced plans to acquire T-Mobile USA, including all of its wholly owned subsidiaries such as T-Mobile West. In a production request, Staff asked about the impact of the proposed merger. T-Mobile answered that notwithstanding the proposed merger, it “will be the designated ETC legal entity with the obligations and responsibilities of a universal service provider in Idaho.”

STAFF RECOMMENDATION

Staff has reviewed T-Mobile’s Application and recommends that it be processed through Modified Procedure with a 21-day comment period.

COMMISSION DECISION

Does the Commission wish to process T-Mobile’s Application for ETC designation through Modified Procedure with a 21-day comment period?



Don Howell
Deputy Attorney General

bls/M:TMW-T-10-01_dh